

Federal Communications Commission

Washington, D.C. 20554

January 11, 2006

Pursuant to Public Notice DA 05-3288, released December 22, 2005, the Wireline Competition Bureau hereby files the attached material related to SMS/800 Update 16.3 for inclusion in the record in CC Docket 01-92.

Material Provided by: SMS 800 Management Team (SMT)

Date: August 18, 2005.

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SMS/800 IntraLATA CIC Routing Issue



August 18, 2005

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Agenda

- The Problem
 - Unauthorized use of CIC 0110 in toll-free routing
- Industry Impact
 - Adversely impacts a wide range of industry participants including ILECs, CLECs and IXC's
- Solution
- Next Steps
- Attachment
 - Routing diagrams and billing issues

Problem

- The SMS/800 Functions Tariff states that Resp Orgs will “Notify and obtain the acceptance of any LEC or IC to which traffic for a specified 800 number will be routed.”
- The SMT has received numerous complaints from carriers about unauthorized toll-free traffic using CIC 0110 routing.
- Revenues lost due to an inability to identify and bill the correct carrier.
- Expenses incurred for access, reciprocal compensation and other charges incorrectly billed to and paid by companies.

Industry Impact

- Widespread Negative Industry Impacts
 - Loss of access revenues
 - Improper assessment of billing
 - Originating & terminating access
 - Query charges
 - CMDS processing charges
 - Payphone compensation
 - Terminating reciprocal compensation
 - “Phantom traffic”
 - Unfair competitive advantage for carriers employing this tactic
 - Avoidance of access and other charges
 - Contributes to avoidance of USF obligations

Solution

SMS/800 Feature Release 16.3

- The SMT has developed a new feature for the SMS/800 system to support authorized use of CIC 0110 and to prevent unauthorized or fraudulent use.
- Resp Orgs obtain acceptance of the LEC and any network provider to which traffic will be routed prior to system acceptance of the Toll Free Customer Record with CIC 0110 routing.
- SMS/800 system will process network provider notifications of acceptance for IntraLATA records containing CIC 0110.
- Resp Orgs can continue to populate a specific CIC on the InterLATA and IntraLATA customer records and are not reliant on the CIC 0110 in any case.

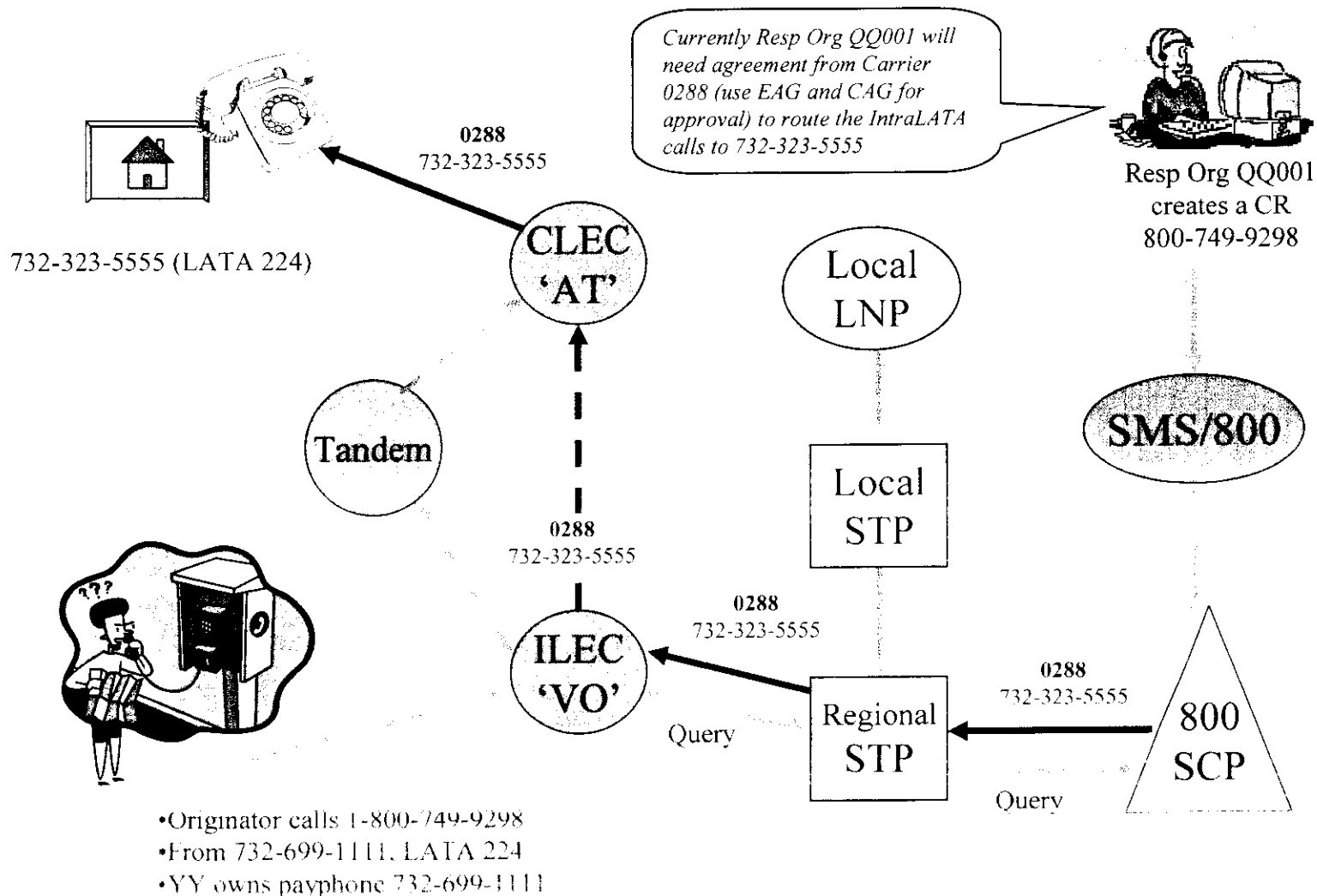
Recommended Next Steps

- File new tariff language
- Implement SMS/800 Feature 16.3
 - Feature activation for new toll-free records
 - Conversion of existing records
- Network providers choose participation level

Attachment

- Routing Diagrams
 - Toll-free call with non-CIC 0110 routing to a POTS (*Slide 8*)
 - IntraLATA toll-free call with CIC 0110 routing to a POTS (*Slide 10*)
- Billing
 - Appropriate billing with non-CIC 0110 routing (*Slide 9*)
 - Billing gaps created by unauthorized use of CIC 0110 routing (*Slide 11*)

Example: Toll Free Call with non-CIC 0110 Routing to a POTS



Note: Billing records for network access charge will be generated for CIC 0288

Appropriate Billing with Non-CIC 0110 Routing (*see Slide 8*)

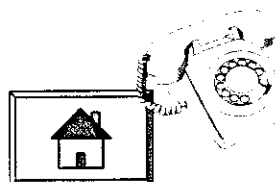
- ILEC (VO) produces an originating access record which is used to bill *switched access charges* to the IXC (0288).
- IXC (0288) produces its own Network Recording which is used to bill *toll-free service charges* to the toll-free customer.
- CLEC (AT) produces (or obtains from the tandem company) a terminating access recording which is used to bill *switched access charges* to the IXC (0288).
- If the call originates from a payphone, the payphone owner (YY) is compensated by the IXC for the dial-around call.
- Signaling, call detail recording, record exchange, and billing processes exist today to accommodate non-CIC 0110 calls.
- All parties involved in the call either receive or pay compensation, as appropriate to their role in call completion.

Example: IntraLATA Toll Free Call with CIC 0110 Routing to a POTS

In 16.3, Resp Org QQ001 will need agreement from CLEC (AT) and ILEC (VO) to use CIC 0110 and 732-323-5555 on the CAD screen



Resp Org QQ001
creates a CR
800-749-9298



732-323-5555

0110
732-323-5555

CLEC
'AT'

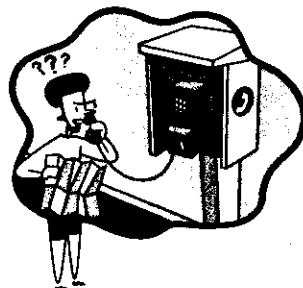
Local
LNP

Local
STP

SMS/800

Assume 732-323 maps to
OCN: 0123 (belongs to AT)
CO: 06 (belongs to VO)

In 16.3, CLEC (AT) can
give Resp Org QQ001
permission through CLA
screen to use 0110 for a
POTS in its network



Call 1-800-749-9298
From 732-699-1111

0110
732-323-5555

ILEC
'VO'

0110
732-323-5555

Query

Regional
STP

0110
732-323-5555

Query

800
SCP

In 16.3, VO can either give CLEC (AT)
permission by adding AT's OCN to the VO's
screen or give permission to Resp Org
QQ001 through NLA screen to use 0110

Billing Gaps Created by Unauthorized Use of CIC 0110 Routing (*see Slide 10*)

- Not all parties involved in the calls receive or pay compensation.
- Incomplete, improper or inaccurate access billing records are created.
- Terminating POTS service provider cannot distinguish between originating toll-free and local calls.
- Intermediate networks are burdened with unanticipated call volumes and no identifying records.